



Sen. John G. Mulroe

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09700HB3636sam001

LRB097 05212 AJ0 55770 a

1 AMENDMENT TO HOUSE BILL 3636

2 AMENDMENT NO. _____. Amend House Bill 3636 on page 1, by
3 replacing line 5 with the following:

4 "Sections 16 and 34 as follows:

5 (770 ILCS 60/16) (from Ch. 82, par. 16)

6 Sec. 16. No incumbrance upon land, created before or after
7 the making of the contract under the provisions of this act,
8 shall operate upon the building erected, or materials furnished
9 until a lien in favor of the persons having done work or
10 furnished material (hereinafter "lien creditor") shall have
11 been satisfied, and upon any questions arising between
12 incumbrancers and lien creditors, all previous incumbrances
13 shall be preferred only to the extent of the value of the land
14 before any improvements at the time of making of the contract,
15 but shall not be preferred to the value of any subsequent
16 improvements, and each ~~the~~ lien creditor shall be preferred to

1 the value of all the improvements erected on said premises,
2 whether or not provided by the lien creditor, and the court
3 shall ascertain by jury or otherwise, as the case may require,
4 what proportion of the proceeds of any sale shall be paid to
5 the several parties in interest. All incumbrances, whether by
6 mortgage, judgment or otherwise, charged and shown to be
7 fraudulent, in respect to creditors, may be set aside by the
8 court, and the premises freed and discharged from such
9 fraudulent incumbrance. When the proceeds of a sale are
10 insufficient to satisfy the claims of both previous
11 incumbrancers and lien creditors, the proceeds of the sale
12 shall be distributed as follows: (i) any previous incumbrancers
13 shall have a paramount lien in the portion of the proceeds
14 attributable to the value of the land before any improvements;
15 and (ii) any lien creditors shall have a paramount lien in the
16 portion of the proceeds attributable to the value of all
17 subsequent improvements made to the property.

18 (Source: Laws 1903, p. 230.)"; and

19 on page 1, below line 21, by inserting the following:

20 "Section 99. Effective date. This Act takes effect upon
21 becoming law."